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A LETTER TO THE PROPRIETORS OF EAST INDIA STOCK.

BRITISH MUSEUM

A

LETTER

TO THE

PROPRIETORS

OF

EAST INDIA STOCK.

East Indies - East India Co.

" It is better to make no Alterations. It is the *Ultimatum* of
" the Treaſury. There, Gentlemen, take it; or go into
" Parliament; and God knows the Conſequence."

CHAIRMAN'S SPEECH, February 2, 1769.

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M DCC LXIX.

BRITISH MUSEUM

A

LETTER

TO THE

Proprietors of EAST INDIA Stock.

AS the terror of Parliament, and a dread of the deciſion on the Queſtion of Right, are the only arguments which are offered in favour of the preſent propoſitions, I propoſe to give a general view of ſuch circumſtances, as may enable a man of ſenſe to judge how he ought to give his Ballot on the Queſtion to be determined in the General Court of Proprietors of Eaſt India Stock on Thurſday next, without entering into all the intricacy of arguments, which ſo fertile a ſubject preſents.

The Queſtion between Government and the Eaſt India Company is new in politics, and ſingular in its nature.—The magnitude of the object is ſo much above the common conceptions of mankind, that we are not to wonder there are as many opinions reſpecting it, as there are men who pretend to give their judgment on this occaſion.—When the nature

of the ſoil, and the genius of the inhabitants of the Moon, were the ſubject of diſquiſition throughout Europe, it is amazing the diverſity of opinions it produced.

But the real point in iſſue is reducible to a very narrow compaſs, if we can diveſt our minds of the glare and wonder attending the firſt view of this Giant!—his legs—his arms—his ſtomach—his head—nay, every hair on his body, muſt be governed by the ſame laws, which regulate inferior beings.

The ſmalleſt trinket, or the pooreſt ſpot of earth belonging to the Duke of Bedford, or the Earl of Bute, though not at all neceſſary to their well-being or exiſtence, is ſecured to thoſe noblemen by the faith and force of the whole ſociety, as much as the tool of the mechanic that earns his daily bread. For ſuch is the nature of thoſe laws which are adapted to the preſervation of private property, that no arguments drawn from the ſuperabundance of private wealth, however unworthily or improperly beſtowed, can be adduced for applying ſuch poſſeſſions to the uſe of the public, or dividing them among the individuals of the community. The ſlighteſt attempt of this kind, like a ſpark thrown into a magazine of powder, muſt neceſſarily tear aſunder the ſtrongeſt bonds by which ſociety is held together, and muſt change, in the ſlighteſt progreſs, the freeſt empire into the moſt deſpotic tyranny.

The whole ſecret of good government is the preſervation of perſonal rights and private property: fix this ſecure in any ſpot on the earth: in Holland, Wiſby, Palmira, or Weſt Florida, the

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ſociety muſt equally flouriſh. The natural inventions of men, under the general laws of providence, each individual promoting his own intereſt will carry the proſperity of the whole much further than the wiſeſt legiſlators can deviſe by any particular modes.

There is no truth ſo neceſſary as this to be impreſſed upon the minds of men in authority. And the whole art of taxation, which is as yet carried to perfection in no community, lies in extracting this ſuper-abundance of the rich, without violating thoſe laws for the equal preſervation of private property.

This is indeed the only kind of Agrarian Law that can be admitted; and the frequent convulſions in the Roman Commonwealth on this miſtaken ſubject, demonſtrate the truth of my aſſertion beyond a poſſibility of contradiction.

Monteſquieu *, in his uſual manner (and like all men, who have a perfect conception of the ſubject whereof they treat) has expreſſed in a few words, what is contained in many muſty volumes.

" As men have given up their natural independence to live under political laws, they have given up the natural community of goods, to live under civil laws.

" By the firſt, they acquired Liberty; by the ſecond, Property. We ſhould not decide by the laws of Liberty, (which as we have already ſaid, is only the Government of the Community) what ought to be decided by the laws concerning Pro-

* Vol. II. book 26. chap. 15.

perty. It is a paralogiſm to ſay, that the good of the individual ſhould give way to that of the public. This can never take place, but when the Government of the Community, or in other words, the Liberty of the Subject, is concerned. This does not affect ſuch caſes as relate to private Property, becauſe the public good conſiſts in every one's having that Property, which was given him by the civil laws, invariably preſerved."

"Cicero maintains, that the Agrarian Laws were unjuſt, becauſe the community was eſtabliſhed with no other view, but that every one might be able to preſerve his Property. Let us therefore lay down as a certain maxim, that wherever the public good happens to be the matter in queſtion, it is not for the advantage of the public to deprive an individual of his Property, or even to retrench the leaſt part of it by a law, or a political regulation. In this caſe we ſhould follow the rigor of the civil law, which is the palladium of Property. Thus when the public has occaſion for the eſtate of an individual, it ought never to act by the rigor of political law. It is here that the civil law ought to triumph, who, with the eyes of a mother, regards every individual as the whole community."

The real fact is, that the Eaſt India Company, under the faith of the ſtrongeſt Charters granted by the Crown, and confirmed by Act of Parliament, nay, aſſiſted by a military law in their favor, and every other circumſtance that can expreſs the approbation and concurrence of the ſtate, have, after running the moſt imminent riſks, acquired poſſeſſions and riches, no way incompatible with the well being of the community, but ſufficient to

raiſe

raiſe the envy of many; who now would pretend, after all the riſks are paſt, that thoſe acquiſitions were made contrary to the immutable laws of ſociety, and that all the ſolemn acts of approbation given by the Legiſlature, and the Charters granted by the King, are inconcluſive to eſtabliſh any ſituation of an Individual or Body Corporate, which incroaches on the firſt unexplicable high flown principles of ſovereignty.

Thoſe principles of ſovereignty to which they allude are gathered from old, affected, bombaſt, and confuſed writers on the civil law, who never thoroughly examined the ſubject on which they write, or thought of the ſituation in queſtion, but received it entailed, like articles of philoſophy or divinity, from the preceding doctors, upon whoſe empty baſis they erect their tottering ſuperſtructure.

Whether the words "*ſovereign power*," imply any more than a lawful authority, ſubject to the conditions from whence it derives its exiſtence, is a queſtion worthy of meditation.

Politics is a ſcience, perhaps, the leaſt underſtood of any other, notwithſtanding we have lived ſo long on the earth, and that it is the moſt neceſſary to render that exiſtence tolerable.

Rouſſeau has juſtly ſaid, "Grotius, the maſter "of this ſcience, is but a child; and what is "worſe, he is reprehenſible for his inſincerity."

The various modes of government which may be eſtabliſhed; the branching ſocieties which may depend upon the parent ſtock; the powers and privileges which may be communicated to theſe;

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are known in their full extent to none, and even in a partial extent to very few.

The crude ſentiments and ungenerous jealouſies which have appeared on the ſubject of North America and the Eaſt Indies, ſufficiently demonſtrate how narrow are the conceptions of our commies in office on this exalted ſubject. They put one in mind of the royal child, who went a hawking, and inſiſted on tying a ſtring to the bird's leg.

To engraft the Eaſt and Weſt Indies on this northern ſpot, ſo that the circulation may flow through the whole as one united Body, is certainly a ſublime taſk, but not impoſſible.

However infinite the combinations, the elements, or general laws of ſociety, are mild and ſimple.

It is not whips and tortures, or chains or muſquets, that can bind thoſe ſocieties to the advantage of this country; but a force, though apparently gentle, yet more irreſiſtible, like the neceſſity under which we daily act, which ſeems, from the kindneſs of Providence, to be our own free will.

It is thoſe impelling principles the legiſlature is to diſcover, which are as certain in their effects on the human paſſions (though wiſely concealed from vulgar eyes) as gravitation or electricity operating upon the natural world.

The only poſition which can be maintained to defeat the Right of the Eaſt India Company to their poſſeſſions

poſſeſſions in India, and to transfer thoſe poſſeſſions to the Public, muſt be, *That the holding of ſuch poſſeſſions by a private Company is incompatible with the good of the whole.*

Such as maintain this doctrine cannot, with the leaſt conſiſtency, acquieſce in any agreement with the Eaſt India Company, which leaves them in the full poſſeſſion of all thoſe incompatible powers and rights, merely on the paying of a ſum of money: Becauſe by this they acknowlege the rights are not at all incompatible with the firſt principles of ſovereignty, ſo much contended for; and that a certain ſum of money, extorted under terror, is the real foundation of all their illuſive arguments.

If it is alleged, That the rights of his Majeſty's natural born ſubjects, and of the inhabitants of that country now under the protection of Great Britain, can only be maintained by the legiſlature of Great Britain undertaking the management of the poſſeſſions in India——This operates equally ſtrong againſt any temporary agreement.

But in caſe ſuch ſentiments are really the foundation of the arguments uſed by any ſet of men, as nothing can be more juſtifiable for defeating any right whatſoever than the good of the inhabitants ſubject to that authority—Why do not thoſe gentlemen, or the legiſlature of Great Britain, point out the evils complained of, and enact proper laws, and eſtabliſh proper inſtitutions, for remedying the inconveniences? This they can equally do, whether the territorial poſſeſſions continue in the Company, or are transferred to the Crown.

But ſuch, in fact, is the leaſt part of the conſideration, either with the Miniſters of the Nation, or with the Directors of the Company. For although the poſſeſſions in queſtion have been three years under our authority, the fountains of juſtice in that country have been more impure, the tyrannies greater, and the inſtitutions more deſpotic, than at any other time ſince the exiſtence of the Company, or even under the worſt of the eaſtern princes; nor can any complaint obtain the leaſt redreſs from the mercileſs confederacy of Leadenhall-ſtreet.

Others again ſay, that the wealth of the acquiſitions alone is a ſufficient reaſon for the interpoſition of the State in ſeizing the revenues, even ſuppoſing the right to be in the Company, as ſuch an addition of wealth, immediately accruing to individuals, muſt tend to deſtroy the balance of power in the community.

This argument, though I have heard it gravely pronounced, and ſeen it ſeriouſly wrote, yet I do acknowlege, upon the whole, it is far above my comprehenſion.

If the riches of individuals are deſtructive, and their property is to be ſeized, to reduce them to a certain ſtandard, that ſtandard ſhould be aſcertained, and the noblemen, gentlemen, and merchants of England ſhould be reduced to it.

But it is ſaid, the members of the Eaſt India Company cannot be conſidered like individuals; for they are in to-day and out to-morrow; and, in fact, the Company is the community at large.

I then anſwer, If the Company is the community at large, there is no great danger of this wealth being confined to a few individuals.

The truth is, I acknowlege, that riches coming into a country may prove of great detriment; but it becomes extremely difficult to check the progreſs of wealth, and yet maintain the ſtimulus to induſtry.—When the machine is put in motion, I am afraid we cannot ſtop its progreſs, by throwing unnatural impediments in its way, without, cruſhing or overturning it.

We muſt, in general, conſider the cauſes that gave riſe to the community; whether the ſpirit of war, like the Roman government, has prevailed, or that of commerce and colonizing, like the Britiſh empire; and, in either caſe, we muſt not too ſuddenly attempt a change; for, like a top put in motion by a certain force, if you either withdraw the cauſe, or whip it the contrary way, it tumbles of itſelf.

The riches of the Proprietors of Eaſt India Stock, acquired as Proprietors, are very inconſiderable. Mankind, prone to confound, and never to diſtinguiſh, continually mix in their minds the fortunes acquired by the ſervants of the Company with the conſiderations concerning the actual Proprietors in England.

If the ſervants of the Company are the objects of reſentment, it were better the poſſeſſions in queſtion were ceded to the Indian powers: for in whatever ſtate they remain, the officers in India muſt ſtill acquire fortunes, though the appoint-

ments of Governors were not 30,000 l. a year, as at preſent.

At any rate, if riches are to be brought into this country, it is better at leaſt they ſhould paſs through the diffuſive channels of merchandize, than fall plump into the Exchequer, as in Spain, without any intermediate progreſs; which muſt be the caſe if Government take poſſeſſion of the revenues in India, without making any bargain with the Company.—A thing, in my poor opinion, utterly impoſſible to be executed.

Money may be extorted from the Company, under hopes and fears, and clogs and embarraſſments. But to reap any advantage from the territorial acquiſitions in diſpute, without the conſent of the Company, or repealing its preſent charter, and beating down every barrier of private property, is a project not to be executed.

The preſſing motives concerning the queſtion in diſpute, is, the envy which attends the ſucceſs of the Company; and this does not permit gentlemen to view the injuſtice that is done to individuals with a ſtrict impartiality, or a due regard to the conſtitution of their country.

It is related, that when the firſt lotteries were inſtituted in Flanders, the Emperor arbitrarily detained 10 per cent. from the higher prizes, which few people at that time thought was any injuſtice; and there is a caſe in Queen Elizabeth's reign, which is exactly in point to that of the Eaſt India Company, where this argument of the lottery was uſed.—It is quoted, indeed, by ſubſequent hiſtorians,

rians, as an inſtance of the arbitrary and unjuſt ideas of that Princeſs; and moſt certainly, no caſe can more fully demonſtrate the truth of the aſſertion to a judicious mind, although ſhe had the opinion of the world in her favour at that time.—But what paſſes under our own eyes ſhould convince us, that mankind is always the ſame, and that whenever *Might and Right* are engaged, a ſenſible mind may pronounce the deciſion without waiting the iſſue.

I ſhall give the caſe as it is ſtated in Mr. Hume, vol. iv. Elizabeth, chap. vii. page 724.

" It is eaſy to imagine, that under ſuch a government no juſtice could, by courſe of law, be obtained of the Sovereign, unleſs he was willing to allow it.—In the naval expedition, undertaken by Raleigh and Forbyſher, againſt the Spaniards in 1592, a very rich carrack was taken, worth 200,000 l. The Queen's ſhare in the adventure was only a tenth part: but as the prize was ſo great, and ſo much exceeded the expectations of all the adventurers, ſhe was determined not to reſt contented with her ſhare.—Raleigh humbly and earneſtly begged her to accept of 100,000 l. in lieu of all demands, which ſhe condeſcended to do."

" But indeed (the elegant hiſtorian five pages before had ſaid) the government of England, in that age, bore ſome reſemblance to that of Turkey at preſent." Whereas we muſt now acknowledge (according to his ſubſequent expreſſion) " That noble liberty, that ſweet equality, and that perfect ſecurity, by which we are at preſent

diſtinguiſhed above all nations of the univerſe."

After all, there is one method in which I do acknowledge the legiſlature of Great Britain might interfere in the affairs of the Eaſt India Company with the dignity and glory of a great nation; I mean in the character of arbiter or ſuperior judge; where, by reviewing the treaties which the Company has made, and the breaches of every ſacred tie which her ſervants have lately committed, due juſtice might be done to the natives, a proper barrier eſtabliſhed for the good of the whole, and a plan of a humane and regular government ſettled for the future.

But to condemn the conduct by which the acquiſitions were made, and to ſeize, demand, or accept a ſhare in the profits; this is a moſt abſurd and injurious procedure; approving by our actions what we condemn by our words, and yet expecting that mankind ſhould acquit us of the guilt.

I have ſtated the ſubject of the controverſy between his Majeſty's miniſters and the Eaſt India Company more at large, becauſe it is upon a proper intelligence of this queſtion only that men's conduct can be juſtly directed on the preſent occaſion.

When Lord Chatham was at the head of adminiſtration, he reſolved to try what could be obtained from the Eaſt India Company on account of their late acquiſitions, which, by magnified relations, had dazzled the minds of the multitude: his Lordſhip ſaw the intricacy of the

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ſubject in every way: he would not make it a miniſterial point, ſo that government ſhould be conſidered as fully embarked; but he took another method, by engaging a man who has always acted under his dictates, and who is conſidered in the world as a mixture of folly, wildneſs, good ſenſe and abſurdity. This gentleman brought the ſubject before parliament, and purſued it in his own ſcrambling manner.—If the matter failed, it was to be his own. If it ſucceeded, adminiſtration were ready to declare in his favor. It came more like a fiſhing bill, to try the pulſe of the houſe, than a regular inquiry.

When the matter was firſt mentioned, the aſtoniſhment was like an electrical ſhock on the whole houſe: or like the firſt propoſitions of treachery and murder to an uncorrupted mind. However, it daily became more familiar.

The great point inſiſted upon by the courtiers was, that the acquiſitions were conqueſt, and that the treaties were made by force, and conſequently, the whole belonged to the crown.

There is no doubt of the one or the other; and yet the concluſion does by no means follow.

The Eaſt India Company has the power of war and peace. She has the power of ceding, and conſequently of retaining conqueſts. Indemnification for injuries, expences and riſks, are incident to the power of peace and war. Future ſecurity is alſo a juſt motive for detaining territory after conqueſt. But it is alledged, theſe powers are only granted by the crown. I deny the

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aſſertion. They are alſo confirmed by act of parliament. But ſuppoſing they were only given by the crown; they are certainly ſufficient and binding, for this is preciſely within its juriſdiction and prerogative, who can grant letters of mart and repriſal, and all other acts of peace or war reſpecting foreign powers or poſſeſſions without the conſent of parliament.

As to the objection of the treaties being made by force, it were well to conſider what treaties were ever made from any other motive. Monteſquieu has ſo finely expreſſed his ſentiments on this ſubject, that one would think it ſufficient to ſilence every clamor on this head*.

"Liberty conſiſts principally in not being forced to do a thing, where the laws do not oblige: people are in this ſtate, only as they are governed by civil laws; and becauſe they live under thoſe civil laws, they are free."

"It follows from hence, that princes, who live not among themſelves under civil laws, are not free; they are governed by force; they may continually force, or be forced. From hence it follows, that treaties made by force are as obligatory as thoſe made by free conſent. When we who live under civil laws, are, contrary to law, conſtrained to enter into a contract, we may, by the aſſiſtance of the law, recover from the effects of violence: but a prince, who is always in that ſtate in which he forces, or is forced, cannot complain of a treaty which he has been compelled to

* Book 26th. chap. 20. page 246.

ſign.

ſign. This would be to complain of his natural ſtate; it would ſeem as if he would be a prince with reſpect to other powers, and as if other powers ſhould be ſubject with reſpect to him. That is, it would be contrary to the nature of things."

In the mean while, the examination proceeded. Men were moſt admired, who knew the leaſt of the matter. The Houſe of Commons were ſplit into various ſects. Some thought it was not a ſubject proper for the determination of the Houſe of Commons; and moſt men thought it imprudent to decide the queſtion at any rate. Others thought, the right in the Company. Some believed the right in the Eaſtern princes. And ſeveral, eſpecially thoſe who were in arrear of ſalary, believed ſincerely that it was in his Majeſty. His Majeſty, in order to ſhew his diſintereſtedneſs, and to enable the Houſe of Commons to judge more impartially, ſent a meſſage to the Houſe, ſurrendering his right to the people.

Nevertheleſs, upon caſting up the numbers, the queſtion could not be carried.

It then became neceſſary to practiſe on the hopes and fears of the Proprietors in the Eaſt India courts.

When the news of our having ſeized the Dewannee of Bengal, Bahar, and Oriſſa, firſt arrived in England, a number of deſperate men of little or no fortune united in projects of an unbounded extent in Eaſt India ſtock. Theſe tranſactions were chiefly executed in Holland. It was the

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buſineſs of ſuch men to cry up the poſſeſſions in India beyond meaſure, and 16 or 18 per cent. dividend was the loweſt held forth to the Proprietors by thoſe gentlemen.

The Directors of the Company, on the other hand, took a contrary extreme, by crying down the ſtock, as the only way perhaps of reducing things to their real mean.

This, with other cauſes, produced great heats and diviſions in the Eaſt India Court.

The then Chancellor of the Exchequer, paying little regard to political faith, or private engagements, perceived, in ſacrificing thoſe two, a certain manner of extricating Government from the dilemma they were now in: he ſaw clearly the projectors in Stock could not ſuſtain any ſhock. He knew from their ſituation they would conſent to any terms which would anſwer their own temporary views, without any regard to the permanent intereſt of the Company.—He ſaw the Directors depending alſo upon Government for their election; and therefore, what with promiſes and threats, very liberally beſtowed on all parties, he induced the Company to take the only ſtep which could have anſwered his views, or relieved Adminiſtration; namely, that of petitioning Parliament to accept of 400,000 l. a year, in conſideration of their claim on the territorial acquiſitions.

It is now in vain for a certain ſet of men, to throw the blame on others, in this tranſaction, by talking of midnight votes, and a thin Court. They were all acceſſary; otherwiſe, Why did they not demand a Ballot?

This,

This, indeed, was done under a ſolemn private promiſe, that the Proprietors ſhould alſo be allowed to take 400,000 l. dividend to themſelves, which they had before legally voted.

But as ſoon as the firſt was obtained, the laſt was diſregarded.—Parliament was not to be bound by the promiſe of Miniſters, nor one member of Adminiſtration by the act of another. Such was the language of the day. The Company was deemed ſo rich, ſhe could give 400,000 l. to the Public; and ſo poor, ſhe could not take the like ſum to herſelf.—In ſhort, like the unfortunate man who was tried at Bourdeaux for impotency, and at Paris for getting a baſtard child, the Eaſt India Company loſt her cauſe in both courts.

From the whole I would endeavour to ſhew, that the deciſion upon the queſtion of right is not a point to be dreaded in the execution, or, ſuppoſing it to be effected, to be dreaded in its conſequences.——I ſhall admit, for a moment, what is not true, that the members of the Houſe of Commons are as ſubſervient to the call of a miniſter as the Roman ſenate to the Freed-men of the Emperors, yet ſtill our ſecurity is equally ſtrong; ſince every alternative is better than what is now propoſed.——It is impoſſible to imagine this Parliament worſe than the laſt; if I ſuppoſe them as bad, it is only for matter of argument; ſince their virtues are notorious and undoubted. We have ſeen that miniſters did not chuſe to try the queſtion of right in the laſt Parliament.—Why then ſhould we ſuppoſe they will force the deciſion in this?—They are practiſing, it is true, the ſame meaſures

their predeceſſors purſued; they are operating on the fears of a divided body, well knowing they cannot as yet take our money without our own conſent. But let us remember how often fear has deſtroyed itſelf, and how ſeldom conſtancy has been defeated.

The injuſtice, the cruelty, the unfairneſs of the preſent propoſitions, are confeſſed by all. It is the dread of Parliament only which is held forth as a reaſon. Strange! that an appeal to the repreſentatives of the people ſhould now appear in ſo odious a light, without our being able to aſſign any one reaſon.

The hiſtory of every public calamity, ſhews that more men have deſtroyed themſelves by falſe apprehenſions, than ever were injured by the five ſcourges of mankind, plague, peſtilence, fire, famine, or battle.

The hiſtory of the Eaſt India Company ſhews, that a few deſperate Adventurers in the Stock, have been the cauſe of all our misfortunes. It is the duty of the Independent Proprietors to ſtand forth, and reſiſt the miſeries they would now entail upon us; and to fortify mens minds in perſevering to the laſt. I ſhall conclude this Letter, by relating a fact, which happened during the laſt war.

When the fort of Niagara was beſieged by the the Engliſh troops, a numerous detachment of the French army was ſent to its relief. A battle was fought, in which the French were defeated, and moſt of their officers were made priſoners;—

but

but, at the ſame time, the ammunition of the Engliſh army was wholly expended or deſtroyed. The ſeaſon was now far advanced; it was impoſſible to receive ſupplies. Their victory had indeed undone them, if the genius of their commander had not ſupplied the defect. Sir William Johnſon, who had then ſeized the command of the troops by the force of his mind (for he had no commiſſion) propoſed to ſummon the fort once more, in the moſt thundering language, and in terms ten times worſe than thoſe which had been before rejected: he alſo invited the governor to ſend ſome of his officers to ſee their countrymen who were now priſoners in the camp. The officers accordingly came, and mixing with their friends in all the jollity of good cheer that was provided, they made the fatal report which produced the ſurrender of Niagara to an army without ammunition, and which ended in the ruin of the French affairs in North America.

AN INDEPENDENT PROPRIETOR.

FINIS.